

# MAINE STATE LEGISLATURE

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L.D. 1503

DATE: 6/10/15

(Filing No. H-683)

**BUSINESS, RESEARCH AND ECONOMIC DEVELOPMENT**

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**STATE OF MAINE  
HOUSE OF REPRESENTATIVES  
12ND LEGISLATURE  
FIRST SPECIAL SESSION**

COMMITTEE AMENDMENT "A" to H.P. 1055, L.D. 1503, Bill, "An Act To Amend the Economic Development Statutes"

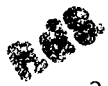
Amend the bill by inserting after section 3 the following:

**Sec. 4. 5 MRSA §13058, sub-§1**, as enacted by PL 1987, c. 534, Pt. A, §§17 and 19, is amended to read:

**1. Employ and remove staff.** The commissioner shall employ and remove staff of the department. Persons employed in major policy-influencing positions, as defined in section 934-A, and professional staff whose positions were formerly located in the State Development Office shall serve at the pleasure of the commissioner. The office directors serve at the pleasure of the commissioner.

A. All professional positions which that are unclassified positions and members of bargaining units and are transferred to the department from units of State Government other than the State Development Office shall retain their current status, including their rights as members of bargaining units. Classified The position responsible for the administration of the tax incentive programs and classified, clerical and other nonprofessional staff shall must be hired pursuant to the Civil Service Law for classified state employees.

**COMMITTEE AMENDMENT**



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B. The commissioner may employ or engage such outside technical or professional consultants as may be necessary or appropriate to assist the office in carrying out its functions and may enter into contracts with other boards, commissions, departments and divisions of the State, with the University of Maine System or with private entities to assist him the commissioner in carrying out his the commissioner's duties under this chapter.'

Further amend the bill by inserting after section 5 the following:

'Sec. 6. 5 MRSA §13109, sub-§4, as enacted by PL 2003, c. 673, Pt. M, §8, is repealed and the following enacted in its place:

4. Payments to fund. Notwithstanding section 1585 or any other provision of law, agencies or private entities that receive General Fund or general obligation bonds for research and development shall contribute to the fund an amount not to exceed 0.8% of General Fund appropriations received by and general obligation bonds issued to an agency or entity for research and development efforts. Private entities that receive funds from general obligation bonds for research and development efforts shall pay to the Treasurer of State in the fiscal year in which the general obligation bond was issued an amount not to exceed 0.8% of the proceeds from the bond issue in any fiscal year, which payment must be made from available resources other than bond proceeds. Only those programs that receive \$500,000 or more in research and development appropriations in any fiscal year, or those entities that receive funds from a general obligation bond issue of \$500,000 or more for research and development efforts in any fiscal year, as identified and certified by the Office of Innovation and the Office of Fiscal and Program Review, may be assessed. The Office of Innovation shall provide to each agency or private entity an annual budget for the fund and a detailed account of each institution's required assessment. Total payments made pursuant to this section may not exceed \$120,000 in any fiscal year.

Sec. 7. 5 MRSA §13109, sub-§5, as enacted by PL 2003, c. 673, Pt. M, §8, is repealed.'

Further amend the bill by relettering or renumbering any nonconsecutive Part letter or section number to read consecutively.

**SUMMARY**

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This amendment specifies that the office directors within the Department of Economic and Community Development serve at the pleasure of the commissioner. It also establishes that the position responsible for the administration of the tax incentive programs is a classified state employee position. It repeals the sunset provision on the Maine Research and Development Evaluation Fund and removes the involvement of the State Budget Officer from the process for assessing the contributing organizations. It requires that the Office of Innovation provide to agencies the annual budget for the fund, as well as a detailed account of each institution's required assessment. It also removes the previous requirement that transfers to the Maine Research and Development Evaluation Fund must be implemented by financial order contingent upon the recommendation of the State Budget Officer and approval of the Governor and the joint standing committee of the Legislature having jurisdiction over appropriations and financial affairs.

**FISCAL NOTE REQUIRED**  
(See attached)



Approved: 06/10/05 *MOC*

# 122nd MAINE LEGISLATURE

LD 1503

LR 0415(02)

## An Act To Amend the Economic Development Statutes

Fiscal Note for Bill as Amended by Committee Amendment "A"  
Committee: Business, Research and Economic Development

Fiscal Note Required: Yes

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### Fiscal Note

Current biennium cost increase - General Fund

Current biennium revenue increase - Other Special Revenue Funds

#### Fiscal Detail and Notes

Repealing the June 30, 2006 sunset of the Maine Research and Development Evaluation Fund will increase the dedicated revenue to the Fund from the 0.8% assessment applied to those agencies or private entities that receive \$500,000 or more in General Fund appropriations or general obligation bond proceeds for research and development in a fiscal year. The amount collected can not exceed \$120,000 in any fiscal year and is expected to be at the limit. The assessment diverts money from the original purposes for which the appropriations and bond proceeds were originally intended.

Additional costs to the Finance Authority of Maine can be absorbed utilizing existing budgeted resources.